

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2350 – SB 2347

February 17, 2018

SUMMARY OF ORIGINAL BILL: Authorizes the City of Cleveland to create a land bank corporation.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – Due to multiple unknown factors, a precise impact to the City of Cleveland cannot be determined; however any such impact will be permissive.

SUMMARY OF AMENDMENT (012823): Deletes all language after the enacting clause such that the only substantive change is to also authorize Hardeman County to create a land bank corporation.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Other Fiscal Impact – Due to multiple unknown factors, precise impacts to the City of Cleveland and Hardeman County cannot be determined; however any such impacts will be permissive.

Assumptions for the bill as amended:

- Pursuant to Tennessee Code Annotated, Title 13, Chapter 30, a land bank corporation is created upon majority vote of the local legislative body. Once created, the land bank corporation has the power to: create a land bank from real property located within the boundaries of the creating local government; enter into contracts for the management of the property; and design, develop, construct and otherwise improve the real property.
- Real property held within the land bank is tax exempt.
- Any action taken by the City of Cleveland or Hardeman County to create a land bank corporation is permissive.

HB 2350 – SB 2347

- Due to several unknown factors, including the value of any real property held in the land bank becoming exempt from taxation, and what the property will be utilized for while held within the bank, a precise fiscal impact to local government cannot be reasonably determined. However, any impact to the City of Cleveland or Hardeman County is considered permissive.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/amj